



**Inland Hospital**

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July 16, 2009

**RECEIVED**

**JUL 20 2009**

**Division of Licensing and  
Regulatory Services**

Phyllis Powell, CON Manager  
Office of Planning, Development and Quality  
Division of Licensing and Regulatory Services  
41 Anthony Avenue  
11 State House Station  
Augusta, Maine 04333

Re: Letter of Intent and Non-Applicability Determination Request – MRI Service  
Reconfiguration at Inland Hospital

Dear Ms. Powell:

Inland Hospital (“Inland” or “Hospital”) submits this Letter of Intent and Non-Applicability Determination Request with respect to a proposed reconfiguration of the MRI services now being provided to Inland by InSight Premier Health (“IPH”) so that the Hospital will be the Medicare provider and not IPH (“MRI Reconfiguration”). Additionally, Inland intends to terminate its contract with IPH and enter into a new agreement with NEHE-MRI, LLC (“NEHE”) for the provision of MRI services under these new terms.

This Letter of Intent fulfills the requirements of Chapter 6, Section 1 (A) and (B) of the CON Procedures Manual, and requests a non-applicability determination consistent with Chapter 6, Section 2(4).

We request a ruling from the Department that the Certificate of Need program is not applicable to the proposed MRI Reconfiguration. If you believe a meeting would be helpful to review this submission, we would be happy to participate.

### **Background**

Since 1996, IPH has provided mobile MRI services at Hospital facilities to Hospital inpatients and to others in the Hospital’s service area needing MRI services. The Hospital has billed for services to its Medicare inpatients and to other inpatients where payors so require. IPH has billed the technical component (or global fee where applicable) for all others receiving MRI procedures. IPH has paid the Hospital a monthly fee for the lease of pad space and related services.

Under the proposed MRI Reconfiguration, a mobile scanning unit will be based permanently at the Hospital and the Hospital will carry out all billing of the technical

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component (or global fee where applicable). NEHE will provide the mobile MRI scanning unit. The Hospital will pay NEHE a monthly fee for the scanning unit, the services of an MRI technologist and other unit personnel, and optionally for needed supplies, scheduling and precertification services and certain related services. Additional fees may be charged for overtime and discretionary services.

### **CON Review Standards**

We do not believe the MRI Reconfiguration is subject to CON approval because:

- This is not a new service;
- It does not involve the acquisition of "major medical equipment", and the equipment involved is well below the current review threshold of \$1,600,000 (as amended by L.D. 1395);
- It does not involve a capital expenditure above the current threshold of \$3,200,000 (as amended by L.D. 1395).

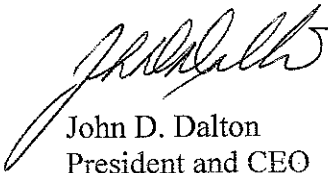
### **Conclusion**

We hope to receive a non-applicability ruling in the near term in order to provide permit us to fulfill our business goals effective October 1, 2009.

Should you have any questions, please do not hesitate to call me at 207-861-3012 or e-mail me at [jdalton@emh.org](mailto:jdalton@emh.org).

We look forward to hearing from you.

Sincerely,



John D. Dalton  
President and CEO